REMARKS

This is a full and timely response to the outstanding non-final Office Action mailed December 10, 2007. Through this response, claims 1, 5, 10, 14, 23, 26, 30-31, and 33 have been amended, and claims 4 and 6 have been canceled without prejudice, waiver, or disclaimer. Reconsideration and allowance of the application and pending claims 1-3, 5, and 7-40 are respectfully requested.

I. Specification Objection

The specification has been objected to for containing various informalities. As suggested on page 2 of the Office Action, Applicants have amended the specification to replace "that" in paragraph [0042] with "than." Although this amendment effects a change to the specification, it is respectfully asserted that no new matter has been added. In view of this amendment, Applicants respectfully submit that the specification is not objectionable, and therefore respectfully request that the objection be withdrawn.

II. Claim Objections

Claim 31 has been objected to for containing various informalities. As suggested on page 2 of the Office Action, Applicants have amended claim 31 to delete "comprises." In view of the above-noted claim amendments, Applicants respectfully submit that the claims are not objectionable and respectfully request that the objection be withdrawn.

III. Claim Rejections - 35 U.S.C. § 102(e)

A. Statement of the Rejection

Claims 1-3, 5, 6, 10-24, 26, 28-38 and 40 have been rejected under 35 U.S.C. § 102(e) as allegedly anticipated by *Rao et al.* ("*Rao*," U.S. Pub. No. 2003/0233663). Applicants respectfully traverse this rejection where not rendered moot by amendment.

B. Discussion of the Rejection

It is axiomatic that "[a]nticipation requires the disclosure in a single prior art reference of each element of the claim under consideration." *W. L. Gore & Associates, Inc. v. Garlock, Inc.*, 721 F.2d 1540, 1554, 220 USPQ 303, 313 (Fed. Cir. 1983). Therefore, every claimed feature of the claimed invention must be represented in the applied reference to constitute a proper rejection under 35 U.S.C. § 102(e).

In the present case, not every claimed feature is represented in the *Rao* reference. Applicants discuss the *Rao* reference and Applicants' claims in the following.

Independent Claim 1

Claim 1 recites (with emphasis added):

1. A method comprising the steps of:
encoding a video stream in a first compressed format;
storing the video stream encoded in the first compressed format in a storage device;
retrieving the video stream encoded in the first compressed format from the storage device;
decoding the video stream encoded in the first compressed format;
encoding the decoded video stream in a second compressed format, ***wherein the first compressed format is a format of lesser computational complexity than the second compressed format***; and
storing the video stream encoded in the second compressed format in the storage device.

Applicants respectfully submit that the rejection to claim 1 has been rendered moot. Additionally, Applicants respectfully submit that claim 1 as amended is allowable over *Rao*. Applicants have incorporated features from original claim 4 (now canceled) into independent claim 1, and accordingly address the rejection to claim 1 under the 103(a) section described below (*e.g.*, since claim 4 was rejected under 35 U.S.C. § 103(a)).

Independent Claim 5

Claim 5 recites (with emphasis added):

> 5. A method comprising the steps of:
> encoding a video stream such that the video stream has a first bit-rate;
> storing the video stream having the first bit-rate in a storage device;
> retrieving the video stream having the first bit-rate from the storage device;
> decoding the video stream having the first bit-rate;
> encoding the decoded video stream such that the decoded video stream has a second bit-rate that is lower than the first bit-rate; and
> storing the video stream having the second bit-rate in the storage device, ***wherein the method is implemented entirely by a television set-top terminal***.

Applicants respectfully submit that the rejection to claim 5 has been rendered moot. Additionally, Applicants respectfully submit that claim 5 as amended is allowable over *Rao*. Applicants have incorporated features from original claim 6 (now canceled) into independent claim 5, and accordingly address the rejection to claims 1 and 6. The Office Action (page 5) alleges the following with regard to claim 6 (no emphasis added):

> Regarding **claim 6**, Rao discloses everything claimed as applied above (See claim 5); in addition, Rao discloses the method of claim 5, wherein the method is implemented by a television set-top terminal (The PVR [110] can be integrated into a set top box which would be a part of a system used to receive audio/video content, paragraph [0016] also exhibited on fig. 2).

Applicants respectfully submit that the method steps recited in claim 5 are not "implemented ***entirely*** by a television ***set-top terminal***" in *Rao*. For at least the reason that *Rao* does

not disclose, teach, or suggest at least the above-emphasized claim features, Applicants respectfully request that the rejection be withdrawn.

Because independent claim 5 is allowable over *Rao*, dependent claim 6 is allowable as a matter of law for at least the reason that the dependent claim 6 contains all elements of their respective base claim. See, *e.g.*, *In re Fine*, 837 F.2d 1071 (Fed. Cir. 1988).

Independent Claim 10

Claim 10 recites (with emphasis added):

> 10. A method comprising the steps of:
> receiving a video stream;
> ***compressing the video stream in a manner that varies based on the availability of computing resources***; and
> recompressing the compressed video stream in a manner that is responsive to the availability of the computing resources.

Applicants respectfully submit that the rejection to claim 10 has been rendered moot. Additionally, Applicants respectfully submit that claim 10 as amended is allowable over *Rao*. Applicants have revised the claim terminology to emphasize that the manner or way that the video stream is compressed ***varies based on the availability of computing resources***, and that the recompression also is implemented in a manner or way that is responsive to the availability of the computing resources. The Office Action alleges the following with regard to claim 10 (page 6, no emphasis added):

> Regarding **claim 10**, *Rao* discloses a method comprising the steps of…compressing the video stream in a manner that is responsive to the availability of computing resources (the media content is transmitted to the recording station [210] as a compressed stream, paragraph [0029])…

Applicants respectfully submit that it is unclear how the cited section of *Rao* is construed to allegedly read on the claim features. As set forth in MPEP 706 and 37 CFR 104(c) (emphasis added):

> (MPEP 706) The goal of examination is to clearly articulate any rejection early in the prosecution process so that the applicant has the opportunity to provide evidence of patentability and otherwise reply completely at the earliest opportunity.
>
> (104(c)(2)) In rejecting claims for want of novelty or for obviousness, the examiner must cite the best references at his or her command. When a reference is complex or shows or describes inventions other than that claimed by the applicant, the particular part relied on must be designated as nearly as practicable. The pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified.

Applicants respectfully request that in the next Office Action, further discussion of the manner in which *Rao* is alleged to read on the claim features be set forth to afford Applicants a full understanding of how *Rao* is to be applied. *Rao* provides as follows in paragraph [0029]:

> [0029] As mentioned above, in conjunction with FIG. 1, the media content can be input to a recording station as a digital signal. In one embodiment, a digital network connection, such as Ethernet or 802.11, can exist between the PVR and the recording station. FIG. 4 illustrates using a network to provide communication between a recording station 410 and the PVR 110. The media content is input to the recording station 410 as a digital signal 124a. The command and control metadata 152 is transferred as a different stream over the Internet Protocol (IP) network. The recording station 410 can query for content on the PVR 110 and have the PVR 110 start and stop programs from being recorded or transmitted to the recording station 410. The media content is transmitted to the recording station as a compressed digital stream over the network to the recording station 410. The recording station 410 decodes the digital stream at 412 and then re-encodes the digital stream, at 416, into a handheld device 450's video and/or audio format. The transcoded signal 418 is stored on a storage device 420 in the recording station 410. The transfer of the program, user, and format metadata is processed by the data package handler 424 and is associated with the transcoded stream. Control metadata is used to control and monitor the flow of information to the storage device 420. This control information is sent by command and control 426 to the PVR 110.

Applicants respectfully submit that nothing in the above-cited section of *Rao* discloses, teaches, or suggests at least ***compressing the video stream in a manner that varies based on the availability of computing resources***, as recited in amended

claim 10. Accordingly, Applicants respectfully request that the rejection to claim 10 be withdrawn.

Because independent claim 10 is allowable over *Rao*, dependent claims 11-13 are allowable as a matter of law.

Independent Claim 14

Claim 14 recites (with emphasis added):

> 14. A method comprising the steps of:
> receiving a video stream;
> ***compressing the video stream in a manner that varies based on one or more characteristics of the received video stream***; and
> recompressing the compressed video stream in a manner that is responsive to one or more characteristics of the compressed video stream.

Applicants respectfully submit that the rejection to claim 14 has been rendered moot. Additionally, Applicants respectfully submit that claim 14 as amended is allowable over *Rao*. Applicants have revised the claim terminology to emphasize that the manner or way that the video stream is compressed ***varies based on one or more characteristics of the received video stream***. The Office Action alleges the following with regard to claim 14 (page 7, no emphasis added):

> Regarding **claim 14**, *Rao* discloses a method comprising the steps of…compressing the video stream in a manner that is responsive to one or more characteristics of the received video stream (The media content is transmitted to the recording station [210] as a compressed stream, paragraph [0029])…

Applicants respectfully submit that it is unclear how the cited section of *Rao* is construed to allegedly read on the claim features, and respectfully request that in the next Office Action, further discussion of the manner in which *Rao* is alleged to read on the claim features be set forth to afford Applicants a full understanding of how *Rao* is to be applied. *Rao* provides as follows in paragraph [0029]:

> [0029] As mentioned above, in conjunction with FIG. 1, the media content can be input to a recording station as a digital signal. In one embodiment, a digital network connection, such as Ethernet or 802.11, can exist between the PVR and the recording station. FIG. 4 illustrates using a network to provide communication between a recording station 410 and the PVR 110. The media content is input to the recording station 410 as a digital signal 124a. The command and control metadata 152 is transferred as a different stream over the Internet Protocol (IP) network. The recording station 410 can query for content on the PVR 110 and have the PVR 110 start and stop programs from being recorded or transmitted to the recording station 410. The media content is transmitted to the recording station as a compressed digital stream over the network to the recording station 410. The recording station 410 decodes the digital stream at 412 and then re-encodes the digital stream, at 416, into a handheld device 450's video and/or audio format. The transcoded signal 418 is stored on a storage device 420 in the recording station 410. The transfer of the program, user, and format metadata is processed by the data package handler 424 and is associated with the transcoded stream. Control metadata is used to control and monitor the flow of information to the storage device 420. This control information is sent by command and control 426 to the PVR 110.

Applicants respectfully submit that nothing in the above-cited section of *Rao* discloses, teaches, or suggests at least ***compressing the video stream in a manner that varies based on one or more characteristics of the received video stream***, as recited in amended claim 14. Accordingly, Applicants respectfully request that the rejection to claim 14 be withdrawn.

Because independent claim 14 is allowable over *Rao*, dependent claims 15-18 are allowable as a matter of law.

Independent Claim 19

Claim 19 recites (with emphasis added):

> 19. A method comprising the steps of:
> ***monitoring consumption of computing resources over an extended time period***;
> receiving a video stream;
> compressing the video stream; and
> recompressing the compressed video stream at a future time that is responsive to availability of computing resources at the future time.

Applicants respectfully submit that *Rao* fails to disclose, teach, or suggest at least the above-emphasized claim features. The Office Action alleges (page 10, no emphasis added) the following:

> Regarding **claim 19**, Rao discloses a method comprising the steps of monitoring consumption of computing resources over an extended time period (Control metadata is used to control and monitor the flow of information to the storage device [420], paragraph [0029]; moreover, user metadata embodies the concept of user preference with respect to media content and it includes the viewing habits of the user, paragraph [0013])...

It is unclear how the monitoring of the flow of information to a storage device is the same as, or equivalent to, ***monitoring consumption of computing resources***. The flow of information would not reasonably be understood by one having ordinary skill in the art to be a computing resource, and indeed, there is no enabling description in *Rao* as to what monitoring of flow specifically entails or how it relates to storage device operation. Accordingly, Applicants respectfully request that in the next Office Action, further discussion of the manner in which *Rao* is alleged to read on the claim features be set forth to afford Applicants a full understanding of how *Rao* is to be applied. Further, for at least the reason that *Rao* does not disclose, teach, or suggest at least ***monitoring consumption of computing resources over an extended time period***, Applicants respectfully request that the rejection be withdrawn.

Because independent claim 19 is allowable over *Rao*, dependent claims 20-22 are allowable as a matter of law.

Independent Claims 23, 26, 30, and 33

Claims 23, 26, 30, and 33, though independently patentable over *Rao*, have each been amended to clarify that the elements recited in the body of the claim reside within the set-top terminal. As *Rao* functionality is distributed among plural devices, Applicants respectfully submit that *Rao* fails to disclose, teach, or suggest at least ***the encoders configured to compress and re-compress and the decoder residing in the STT*** (claims 23 and 26) or ***the encoders residing in the STT*** (claims 30 and 33). Accordingly, Applicants respectfully request that the rejection to claims 23, 26, 30, and 33 be withdrawn.

Because independent claim 23 is allowable over *Rao*, dependent claim 24 is allowable as a matter of law. Because independent claim 26 is allowable over *Rao*, dependent claims 28 and 29 are allowable as a matter of law. Because independent claim 30 is allowable over *Rao*, dependent claims 31 and 32 are allowable as a matter of law. Because independent claim 33 is allowable over *Rao*, dependent claims 34-36 are allowable as a matter of law.

Independent Claim 37

Claim 37 recites (with emphasis added):

> 37. A set-top terminal (STT) comprising:
> ***a module configured to monitor consumption of computing resources over an extended time period***;
> an encoder configured to compress a video stream; and
> an encoder configured to recompress the compressed video stream at a future time that is responsive to availability of computing resources at the future time.

Applicants respectfully submit that *Rao* fails to disclose, teach, or suggest at least the above-emphasized claim features. The Office Action alleges the following on page 14 (no emphasis added):

> Regarding **claim 37**, Rao discloses everything as claimed; in addition, claim 37 incorporates all the limitations of claims 1 and 10. Therefore, claim 37 stands rejected for the same reasons as stated above (see claims 1 and 10) since it is inherent to the method claimed in claims 1 and 10, respectively.

Applicants respectfully disagree. The "monitor" limitations recited in claim 37 are not found in claims 1 or 10. Applicants believe that the Examiner may have been referring to claim 19, and accordingly, Applicants address the rejection to claim 37 using, for the sake of discussion, the arguments presented on page 10 of the Office Action. The Office Action alleges (page 10, no emphasis added) that *Rao* discloses the following:

> Regarding **claim 19**, Rao discloses a method comprising the steps of monitoring consumption of computing resources over an extended time period (Control metadata is used to control and monitor the flow of information to the storage device [420], paragraph [0029]; moreover, user metadata embodies the concept of user preference with respect to media content and it includes the viewing habits of the user, paragraph [0013])...

It is unclear how the monitoring of the flow of information to a storage device is the same as, or equivalent to, ***a module configured to monitor consumption of computing resources over an extended time period***. The flow of information would not reasonably be understood by one having ordinary skill in the art to be a computing resource, and indeed, there is no enabling description in *Rao* as to what monitoring of flow specifically entails or how it relates to storage device operation. Accordingly, Applicants respectfully request that in the next Office Action, further discussion of the manner in which *Rao* is alleged to read on the claim features be set forth to afford Applicants a full understanding of how *Rao* is to be applied. Further, for at least the reason that *Rao* does not disclose, teach, or suggest at least ***a module configured to monitor consumption of computing***

resources over an extended time period, Applicants respectfully request that the rejection be withdrawn.

Because independent claim 37 is allowable over *Rao*, dependent claim 38 is allowable as a matter of law.

Independent Claim 40

Claim 40 recites (with emphasis added):

40. A method implemented by a television set-top terminal, comprising the steps of:
encoding a video stream in a first compressed format;
storing the video stream encoded in the first compressed format in a storage device;
retrieving the video stream encoded in the first compressed format from the storage device;
decoding the video stream encoded in the first compressed format;
encoding the decoded video stream in a second compressed format; and
storing the video stream encoded in the second compressed format in the storage device;
wherein the first compressed format is an MPEG-2 format and the second compressed format is an H.264 format; and
wherein the second compressed format enables a higher compression rate than the first compressed format.

Applicants respectfully submit that *Rao* fails to disclose, teach, or suggest at least the above emphasized claim features. Indeed, a word search in *Rao* for the term "H.264" reveals that H.264 is not disclosed anywhere in *Rao*. Accordingly, Applicants respectfully request that the rejection be withdrawn.

Due to the shortcomings of the *Rao* reference described in the foregoing, Applicants respectfully assert that *Rao* does not anticipate Applicants' claims. Therefore, Applicants respectfully request that the rejection of these claims be withdrawn.

IV. Claim Rejections - 35 U.S.C. § 103(a)

A. Statement of the Rejection

Claims 4, 25 and 27 have been rejected under 35 U.S.C. § 103(a) as allegedly unpatentable over *Rao* in view of *Mori et al.* ("*Mori*," U.S. Pat. No. 6,931,064). Claims 7-9 have been rejected under 35 U.S.C. § 103(a) as allegedly unpatentable over *Rao* in view of *Segev* ("*Segev*," U.S. Pat. No. 7,079,578). Claim 39 has been rejected under 35 U.S.C. § 103(a) as allegedly unpatentable over *Rao* in view of *Vetro et al.* ("*Vetro*," U.S. Pat. No. 6,671,322). Applicants respectfully traverse these rejections.

B. Discussion of the Rejection

The M.P.E.P. § 2100-116 states:

> Office policy is to follow *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), in the consideration and determination of obviousness under 35 U.S.C. 103. . . the four factual inquires enunciated therein as a background for determining obviousness are as follows:
>
> (A) Determining the scope and contents of the prior art;
> (B) Ascertaining the differences between the prior art and the claims in issue;
> (C) Resolving the level of ordinary skill in the pertinent art; and
> (D) Evaluating evidence of secondary considerations.

In the present case, it is respectfully submitted that a *prima facie* case for obviousness is not established using the art of record.

Independent Claim 1

Claim 1 recites (with emphasis added):

1. A method comprising the steps of:
encoding a video stream in a first compressed format;
storing the video stream encoded in the first compressed format in a storage device;
retrieving the video stream encoded in the first compressed format from the storage device;

> decoding the video stream encoded in the first compressed format;
>
> encoding the decoded video stream in a second compressed format, ***wherein the first compressed format is a format of lesser computational complexity than the second compressed format***; and
>
> storing the video stream encoded in the second compressed format in the storage device.

As explained above in section III, Applicants have incorporated features from original claim 4 (now canceled) into independent claim 1, and accordingly address the rejection to claim 1 under the 103(a) section described below (*e.g.*, since claim 4 was rejected under 35 U.S.C. § 103(a)). The Office Action (pages 15-16, no emphasis added) alleges the following with regard to claim 4:

> Regarding **claim 4**…Rao fails to explicitly disclose that the first compressed format is a format of lesser computational complexity than the second compressed format. However, the examiner maintains that it was well known in the art to provide such element, as taught by Mori.
>
> In a similar field of endeavor Mori discloses the method of claim 1, wherein the first compressed format is a format of lesser computational complexity than the second compressed format (The input signal in an MPEG-2 which is converted to an MPEG-4 format, where it is well known that a MPEG-2 format requires less computational complexity than the MPEG-4 format, column 3 lines 14-18 also exhibited on fig. 1).
>
> Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Rao by specifically providing such element, as taught by Mori, for the purpose of converting a MPEG2 format into a MPEG4 format, which allows more compression and in consequence more bandwidth saving and better network management.

Applicants respectfully disagree that it would have been obvious to combine *Mori* and *Rao*. The background of *Rao* provides the following explanation as to the compatibility of content designated for full size TV monitors versus those designated for portable devices (emphasis added):

> [0004] Media content, such as a live television broadcast that is normally captured and recorded on a personal video recorder (PVR) is not suited for use on a handheld portable media content device. PVRs such as TIVO.TM. or Replay TV.TM. are designed to record audio/video signals for play back at high resolution on full size television monitors. The nature

> of the handheld portable media content device requires the device to have a smaller viewing screen, and often a much lower-resolution viewing screen. The storage space available on the portable device is also limited, and usually only a fraction of what is available on a PVR.
> [0005] The bitrate, framerate, resolution, and codec used on the PVR leads to non-ideal performance on the handheld device. For example, a PVR normally captures video in MPEG2 format at 2-4 Mbps. At this bit rate, only 5-10 minutes of content could be stored on a portable media content device with 128 MB of storage. The amount of storage space on a portable device cannot easily be expanded and requirements on device size, power consumption, and cost dictate relatively small amounts of storage. The portable device generally does not need to have media content encoded at a bitrate suitable for full size audio/video equipment due to the limited resources of the portable device, e.g., smaller viewing screen and smaller audio system. It is better to have content that is tailored to the capabilities of the device. Furthermore, present PVRs have no way of intelligently skipping certain media content selections that are broadcast based on a user's viewing/listening history on the portable device.

Hence, even assuming *arguendo* that *Mori* discloses H.264, there is nothing to suggest the combination of *Mori* with *Rao*. As set forth in MPEP 2143.01 citing Federal case law, "[O]bviousness can * be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so." *In re Kahn*, 441 F.3d 977, 986, 78 USPQ2d 1329, 1335 (Fed. Cir. 2006). In the present rejection, the background of *Rao* certainly does not support a codec of higher complexity than MPEG-2 for transcoding, especially when MPEG-2 appears to pose problems for portable devices.

Further, to provide a codec in *Rao* based on H.264 (e.g., for transcoding) would appear to render the system of *Rao* unsatisfactory for its intended purpose, given the expected non-linearities of such a substitution, which is contrary to accepted case law that provides "[I]f proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification." *In re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984). Accordingly, Applicants respectfully submit that a *prima facie* case of

obviousness has not been established, and hence Applicants respectfully request that the rejection be withdrawn.

Because independent claim 1 is allowable over *Rao* in view of *Mori*, dependent claims 2 and 3 are allowable as a matter of law for at least the reason that the dependent claims 2 and 3 contain all elements of their respective base claim.

Claims 25 and 27

As set forth above, *Rao* fails to disclose, teach, or suggest at least the above-emphasized features of independent claims 23 and 26. *Mori* fails to remedy the deficiencies of *Rao*. For at least the reason that *Rao* in view of *Mori* fails to disclose teach, or suggest the above-emphasized features of independent claims 23 and 26, respective dependent claims 25 and 27 are allowable as a matter of law. Accordingly, Applicants respectfully request that the rejection to claims 25 and 27 be withdrawn.

Claims 7-9

As set forth above, *Rao* fails to disclose, teach, or suggest at least the above-emphasized features of independent claim 5. *Segev* fails to remedy the deficiencies of *Rao*. For at least the reason that *Rao* in view of *Segev* fails to disclose teach, or suggest the above-emphasized features of independent claim 5, dependent claims 7-9 are allowable as a matter of law. Accordingly, Applicants respectfully request that the rejection to claims 7-9 be withdrawn.

Independent Claim 39

Claim 39 recites (with emphasis added):

39. A method comprising the steps of:
storing a video presentation having a first compression format;
transcoding a first portion of the video presentation such that the first portion has a second compression format while a second portion remains in the first compression format;
decoding the first portion having the second compression format;
providing the first portion to a user;
decoding the second portion having the first compression format; and
providing the second portion to the user.

Applicants respectfully submit that *Rao* in view of *Vetro* fails to disclose, teach, or suggest at least the above-emphasized claim features. The Office Action (page 20) alleges that *Vetro* discloses the above-emphasized features in column 3, lines 31-45. Applicants respectfully disagree. Column 3, lines 31-45 of *Vetro* provides as follows:

> FIG. 4 shows the details of a method 400 for transcoding an input bitstream to an output bitstream 402 at a lower spatial resolution. This method is an extension of the method shown in FIG. 1, but with the details of the decoder 110 and encoder 120 shown, and a down-sampling block 410 between the decoding and encoding processes. The decoder 110 performs a partial decoding of the bitstream. The down-sampler reduces the spatial resolution of groups of partially macroblocks. Motion compensation 420 in the decoder uses the full-resolution motion vectors mv.sub.f 421, while motion compensation 430 in the encoder uses low-resolution motion vectors mv.sub.r 431. The low-resolution motion vectors are either estimated from the down-sampled spatial domain frames y.sub.n.sup.1 403, or mapped from the full-resolution motion vectors. Further detail of the transcoder 400 are described below.

Applicants respectfully disagree that the above-cited section of *Vetro* discloses the above-emphasized features of claim 39. The above-cited section from *Vetro* merely appears to reveal operations to transcode an input bitstream to an output bitstream of a lower spatial resolution. A "partial" decoding does not teach a mixed compression format in a video presentation in the manner recited in claim 39, but possibly may teach

that fewer than all input frames are passed through for eventual presentation. Accordingly, Applicants respectfully request that the rejection be withdrawn.

In summary, it is Applicants' position that a *prima facie* for obviousness has not been made against Applicants' claims. Therefore, it is respectfully submitted that each of these claims is patentable over the art of record and that the rejection of these claims should be withdrawn.

V. Allegations of Well-Known Art

Applicants respectfully traverse the allegations of well-known art set forth for claims 4 (page 15), 25 (page 16), 27 (page 17), 7 (page 17), 8 (page 18), 9 (page 19), and 39 (page 20). For instance, even assuming *arguendo* that *Mori* teaches or discloses H.264 (e.g., higher complexity compression), it does not necessarily follow that one skilled in the art would have combined such a feature in the context of the claim elements recited in claims 2, 25, and 27 as explained above in the context of claim 1 (incorporating claim 4 features). As another example, claims 7-9 involve the proposed combination of *Rao* and *Segev*. However, in view of *Rao*'s teachings on incompatibility issues pertaining to portable devices compared to systems needed to provide content destined for full-resolution display, it would appear contrary to conventional wisdom to combine the features of *Segev* with *Rao*. With regard to claim 39, Applicants respectfully submit that *Vetro* does not teach the features that the Office Action alleges as well-known, for at least the reasons set forth above. Accordingly, Applicants respectfully submit that the elements of the claims alleged as well-known should indeed not to be considered well-known. Thus, Applicants traverse these allegations and respectfully request that the allegations of well-known be withdrawn.

VI. Canceled Claims

As identified above, claims 4 and 6 have been canceled from the application through this response without prejudice, waiver, or disclaimer. Applicants reserve the right to present these canceled claims, or variants thereof, in continuing applications to be filed subsequently.

CONCLUSION

Applicants respectfully submit that Applicants' pending claims are in condition for allowance. Any other statements in the Office Action that are not explicitly addressed herein are not intended to be admitted. In addition, any and all findings of inherency are traversed as not having been shown to be necessarily present. Furthermore, any and all findings of well-known art and official notice, and similarly interpreted statements, should not be considered well known since the Office Action does not include specific factual findings predicated on sound technical and scientific reasoning to support such conclusions. Favorable reconsideration and allowance of the present application and all pending claims are hereby courteously requested. If, in the opinion of the Examiner, a telephonic conference would expedite the examination of this matter, the Examiner is invited to call the undersigned attorney at (770) 933-9500.

Respectfully submitted,

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